

# CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,  
COUNCIL/PUBLIC SERVICES DIVISION  
ROOM 395, CITY HALL

DATE: 6/15/16

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

**FORM MUST BE TYPEWRITTEN**

FROM (DEPARTMENT): Chief Legislative Analyst

CONTACT PERSON: John Wickham PHONE: x35738

CONTRACT NO.: C-127625 COUNCIL FILE NO.: 07-1586-S2

ADOPTED BY COUNCIL: 5/23/16  
DATE

APPROVED BY BPW: \_\_\_\_\_  
DATE

NEW CONTRACT X  
AMENDED AND RESTATED \_\_\_\_  
ADDENDUM NO. \_\_\_\_  
SUPPLEMENTAL NO. \_\_\_\_  
CHANGE ORDER NO. \_\_\_\_  
AMENDMENT \_\_\_\_

CONTRACTOR NAME: FilmL.A.

TERM OF CONTRACT: July 1, 2016 THROUGH: June 30, 2021

TOTAL AMOUNT: \$0

PURPOSE OF CONTRACT:

To provide film permit services to productions filming in the City.

**NOTE: CONTRACTS ARE PUBLIC RECORDS - SCANNED AND UPLOADED TO THE INTERNET**

**CONTRACT NO. C-127625**  
**BY AND BETWEEN,**  
**THE CITY OF LOS ANGELES, a municipal corporation (City), and**  
**FILML.A., INCORPORATED (Contractor)**

**WHEREAS**, there is a need for efficient film permit coordination services to provide a more favorable environment within the City to encourage filming and still ensure that filming activities outside of a studio are conducted in a manner that protects the public interest, including public safety, and balances the needs of the general public with the needs of the filmmaker;

**WHEREAS**, the City is authorized to Contract with private agencies including non-profit corporations for the operation of City programs;

**WHEREAS**, the City Council has determined that public purposes will be served by entering into this Contract with the Contractor for the coordination of film permits;

**WHEREAS**, the Contractor is duly incorporated pursuant to the California Non-Profit Public Benefit Corporation Law and is authorized by law to provide services and collect fees contemplated by this Contract;

**WHEREAS**, the Contractor is qualified by reason of experience, preparation and organization to provide the services contained within this Contract;

**WHEREAS**, the City conducted a competitive selection process and the Contractor was deemed the most qualified and the Contractor's proposal was deemed the best for the City;

**WHEREAS**, the City Council and Mayor originally approved the Contract on March 19, 2010 (CF 07-1586);

**WHEREAS**, the first five year term of the Contract ended on June 30, 2015. The City and Contractor executed an extension letter on June 29, 2015 extending the term from June 30, 2015 until September 29, 2015.

**WHEREAS**, the Contractor and City by mutual agreement executed a second extension letter on September 21, 2015 extending the term of the first five year Contract from September 29, 2015 until October 30, 2015.

**WHEREAS**, the Los Angeles City Council voted to extend the first term of this Contract to April 30, 2016.

**WHEREAS**, the Los Angeles City Council voted to extend the first term of this Contract to June 30, 2016.

**NOW, THEREFORE**, in consideration of the mutual covenants, representations, and agreements herein set forth and mutual benefits to be derived therefrom, the Parties agree as follows:

#### **Section 1. Contractor**

FilmL.A., Inc. operates as a non-profit public benefit corporation under Section 501(c)4 of the Internal Revenue Code. FilmL.A.'s public benefit purpose is to improve the economy of the greater Los Angeles region and thus promote the social welfare of the people, by ensuring film activities in the greater Los Angeles area are conducted in a manner the results in a minimum of interference, and are consistent with public health, safety, and general welfare. Specifically, FilmL.A. will work to centralize the issuance of film permits and will coordinate and improve actions for commercial filming and photography activities. The Contractor is headquartered in the City of Los Angeles at 6255 W. Sunset Boulevard, 12th Floor Hollywood, CA 90028.

#### **Section 2. Term of the Contract**

The term of this Contract shall be from the date of execution to and including June 30, 2020, unless terminated earlier in accordance with Section 10. Upon completion of a performance evaluation and approval of the Mayor, the City Contract Administrator is authorized to extend the term of this Contract for two (2) additional periods of five years each under the same terms and conditions contained herein.

#### **Section 3. Activities to be Performed**

The Contractor shall perform all the services set forth in the Scope of Work, **Exhibit A**, to this Contract, a copy of which is attached hereto and incorporated herein by this reference.

#### **Section 4. Contract Administration**

City Council shall have full authority to appoint a City department to administer this contract. At the time of execution, the Economic and Workforce Development Department (EWDD) is the designated City Contract Administrator (CCA).

#### **Section 5. Permit Authority**

City Council has designated the Los Angeles Police Department as the City Permit Authority (CPA) for all City film permits.

#### **Section 6. Entertainment Industry Customer**

Entertainment Industry Customer (Customer) refers to all who apply for City film permits through FilmL.A., including, but not limited to, companies, corporations, schools, and individuals.

## **Section 7. Reporting Requirements**

The Contractor shall provide information to the City as required in **Exhibit B** to this Contract, a copy of which is attached hereto and incorporated herein by this reference. The CCA, or City Council designee, and Contractor shall mutually agree on the acceptable format and methodology for submission of this information. The CCA, or City Council designee, shall also have the authority to make minor adjustments to reporting timeframes, provided that all required reports are still provided in a timely manner and reflecting the information originally intended.

## **Section 8. Contract Notices**

Unless otherwise notified in writing, written notices pertaining to this Contract shall be directed to:

Paul Audley, President  
FilmL.A., Inc.  
6255 W. Sunset Boulevard, 12th Floor  
Hollywood, CA 90028

Jan Perry, General Manager  
City of Los Angeles  
Economic and Workforce Development Department  
1200 W. 7th Street, 6th Floor  
Los Angeles, CA 90017

## **Section 9. Incorporation of Exhibits, Precedence of Documents**

Hereby incorporated by reference into this Contract are Exhibits A through E, which are attached hereto. Unless otherwise stated, the Standard Provisions for City Contracts (**Exhibit C**) are hereby incorporated by reference. In the event of any inconsistency between the provisions of this Contract and the Exhibits, the inconsistency shall be resolved by giving precedence in the following order:

- The Body of this Contract (Through and Inclusive of Section 25)
- Exhibit A – Scope of Work
- Exhibit B – Reporting and Performance Requirements
- Exhibit C – Standard Provisions for City Contracts
- Exhibit D – Insurance Requirements
- Exhibit E – FilmL.A. Primary Fee Schedule

## **Section 10. Termination**

Either party may terminate this Contract by giving 270 calendar days written notice to the other party. The termination will be effective 270 calendar days after the receipt of



the written notice. Contract provisions for indemnity, statements, audits, payments, and refunds survive termination. This Section shall take precedence over the Standard Provisions for City Contracts (PSC-10). The City may immediately terminate this Contract for cause. Cause shall be defined as:

- The lapse of insurance as required herein after a reasonable period for cure by the Contractor;
- Violation of the Municipal Lobbying Ordinance (LAMC 48.01) or any other City or State ethics or lobbying laws;
- The criminal indictment of one or more officers, employees and/or Board Members of the Contractor for activity relating to the duties performed under this Contract whereby the indictment has a significant detrimental impact on the ability of the Contractor to perform under the terms of this Contract. The detrimental impact may, among other things, be in the reputation of the Contractor and the associated reputation of the City. Activities not related to the duties performed under this Contract are specifically excluded;
- The discovery of organized, sustained activity that the Contractor is unwilling to cease that is contrary to the City's attempt to maximize local film production;
- The initiation of bankruptcy proceedings or the loss of managerial control of the Contractor to another party, including regulatory entities;
- Gross negligence in the performance of the duties under this Contract;
- Without the express written consent of the City as determined by action of the City Council and Mayor:
  - the Contractor's acquisition of, or merger or consolidation with, any other entity; or
  - the occurrence of any business decision that significantly alters the composition of its Board (if such a Board exists) or reduces service levels in a manner such that it becomes a disincentive to filming locally.

Should the Contract be terminated for cause or by election of either party, the Contractor shall:

- Provide to the City and its agents, and grant a perpetual, royalty free license to use, all information collected, created and used under the performance of this Contract ("data") in a form facilitating the immediate use of the information within 24 hours (48 hours of information stored off-site). This will include, but not be limited to, statistical, informational, operational, financial, legal and relevant personnel information;
- Provide a period of continued access to the City, free of charge, for the use of any and all software and computer systems which the Contractor own(s)(ed) and utilize(s)(ed) in providing services under this Contract not to exceed 270 calendar days, during which time the City and Contractor may enter in to a license agreement for ongoing use by the City of the Contractor's software system. The terms of such license agreement shall be reasonable as compared to similar software license agreements.

- In the alternative, if both parties agree, the City may negotiate to acquire the source code for, and other rights to, the software owned by the Contractor.

#### **Section 11. Compensation to Contractor**

The Contractor shall develop and maintain fee structures which eliminate the costs to City taxpayers. Contractor will receive no compensation from the City for the activities performed in connection with this Contract.

The Contractor may charge its Entertainment Industry Customers a fee for each and any service Contractor provided under this Contract as provided in Section 23.

#### **Section 12. Environmental Impact**

The Contractor shall take all reasonable steps to minimize impact on the environment and cooperate with City efforts to protect the environment.

#### **Section 13. City Access to Contractor**

The Contractor shall provide priority handling of all phone calls, emails and all other communications from City staff to Contractor management.

#### **Section 14. Monitoring and Evaluation**

The Contractor shall ensure the following:

- that authorized representatives of the City have the right of access to activities, records, and facilities operated by Contractor under this Contract without prior or advance notice being given to the Contractor. Activities include attendance at meetings of the Contractor's Board of Directors, observation of on-going Contractor outreach efforts, compliance with audits and provision of any/all on-site records (including electronic) within 24 hours of the request of the City. Exceptions shall include confidential employee matters and litigation. If records are stored off-site, they shall be kept in a manner that allows for the provision of the records within 48 hours. Approval of the City Contract Administrator must be obtained for a method of storage that will result in more than 48 hours to access records.
- the cooperation of its staff and Contractor's board members, in their official capacities.
- the CCA, or City Council designee, shall conduct a performance review of the Contractor annually or as needed. Performance reviews shall focus on compliance with contract terms, including issues such as customer and public satisfaction with Contractor performance of duties, including but not limited to:

management, implementation, and effectiveness of policies and procedures; impact of outreach efforts; management, implementation, and effectiveness of marketing programs; and implementation of administrative and financial policies, including policies related to the administration of customer refunds.

#### **Section 15. Non-Discrimination and Equal Treatment of Customers**

No person shall, on the grounds of race, sex, creed, color, religion, handicap, political affiliation or belief, national origin, sexual orientation, marital status, medical condition or age be excluded from participating in, be refused the benefits of, or otherwise be subjected to discrimination in any activities, programs or employment supported by this Contract.

The Contractor shall provide equal treatment to all similarly situated customers seeking a permit to film motion pictures, television, web shows, music videos, still photos or other purposes; seeking notification services; seeking to make comments or complaints about filming matters; and any other customers seeking services provided by Contractor to the City. Contractor will indemnify the City from the impact of not providing equal treatment. Permit and other requests will be judged solely upon the merits of the request.

#### **Section 16. Student Films Permits – Exception**

Contractor agrees to comply with the City's policy regarding the student film fee waiver, as determined by the CPA and other applicable City departments, and will advise on procedures as they relate to this policy on an as needed basis.

#### **Section 17. Public Records Act**

The Contractor shall familiarize themselves with the California Public Records Act and must supply all information to persons or members of the public requesting information as may be required under such act.

If a dispute arises among the City, the Contractor and a person requesting information, the City will notify the Contractor so that Contractor has the opportunity to seek a court order precluding the disclosure of such information. In the absence of the Contractor obtaining such an order, the Contractor must release the information.

Contractor acknowledges that all information generated as a result of this Contract is part of the public domain and subject to the California Public Records act. This includes permit data, location information, permittee data, revenue, costs, notification data and complaints. Contractor should take care to separate data that is proprietary so that public domain data can be accessed easily and in a timely manner.

## **Section 18. Insurance**

Contractor agrees to maintain the insurance coverages and limits listed on the Insurance Requirements Sheet, **Exhibit D**, and comply with the applicable insurance conditions set forth in **Exhibit C**, Standard Provisions for City Contracts.

## **Section 19. Lobbying**

The Contractor will comply with all rules, regulations and restrictions relating to lobbying activities, including, but not limited to, the City Municipal Lobbying Ordinance (LAMC 48.01) and any other City or State ethics or lobbying laws.

## **Section 20. Policies and Procedures**

The Contractor shall develop and maintain clear, written policies and procedures of their operations and processes they use. It is further expected that these policies and procedures be shared and made available for review by the CCA, CPA, or City Council designee. To the extent that the policies and procedures impact City operations, approval of the Contract Administrator must be obtained prior to implementation.

## **Section 21. Technology Utilization**

The Contractor shall utilize technology to the fullest extent possible in order to provide convenience to customers, the public and any other stakeholders. This includes the efficient use of fax, email, and other devices. The Contractor shall use best efforts to cooperate fully with the City in the efficient use of technology.

## **Section 22. Budget and Audit**

In accordance with Section 3 of **Exhibit B**, Reporting and Performance Requirements, attached hereto and incorporated herein, Contractor shall provide its Annual Operating Budget to the Contract Administrator, or City Council designee.

## **Section 23. Contractor Fees**

The Contractor may charge its Customers a fee for each and any service Contractor provided under this Contract ("Contractor Fees"). These Contractor fees may be identified as an "application fee," "service fee," "transaction charge," or any other reasonable description. Prior to any change to the fee, the Contractor is required to notice CCA. Notice must be served in written form with details on revised fee structure. Notice must be received at least 30 calendar days prior to implementing any fee changes. The City has the right to review the fees that the Contractor charges its Customers. The City may require that the fees be changed if the fee increase exceeds the change in the Consumer Price Index for all goods and services for the Los Angeles Metropolitan area for the preceding period. The preceding period shall begin with the effective date of this



Contract or the effective date of the most recent change in fees, whichever is later. The preceding period shall end with the proposed effective date of the proposed fee increase.

The Contractor may offer its customers a discount for the purpose of inducing payment by cash, check, or other means not involving the use of a credit card, provided the Contractor does not deduct the discount from any City Fees required to be remitted to the City. In the alternative, if permitted by law, the Contractor may charge a surcharge to those customers who elect to pay by credit card.

#### **Section 24. Client Refund of Fees**

The film permit application and permit shall include language that the Customer has 90 calendar days following the completion of the permitted activity to request any refunds of fees for services not provided by a City department in connection with the permitted activity. At the conclusion of the 90 calendar day period, if no request has been made and the Contractor has determined that a refund is owed, the Contractor shall affirmatively notify the Entertainment Industry Customer in writing (electronic and/or US Mail) at either the contact information contained within the permit application or at the last known address. Such notice shall allow the Customer 30 calendar days from the date of notification (or mailing if by U.S. mail) in which to request the refund and include the applicable permit number, amount of the refund owed, the refund request form, and instructions how to claim. Said notice shall also inform the Entertainment Industry Customer that any and all unclaimed refunds shall be used to support FilmL.A.'s 501(c)(4) public benefit purpose, including but not limited to, areas such as enhancing the film permitting process, marketing and promoting filming in the City, student film projects, research and education about filming, and any other uses that promote film production in the City.

#### **Section 25. Reserve for City Fees**

The Contractor shall, at all times, maintain a cash balance equal to at least twice the average monthly amount of City Fees paid by Contractor to the City during the prior fiscal year (i.e., from July 1 through June 30), which will not be used to pay operating expenses. The Contractor shall maintain as part of its accounting system a separate account showing the amount of City Fees that the Contractor estimates it may become obligated to pay as a result of on-location filming by its Entertainment Industry Customers.

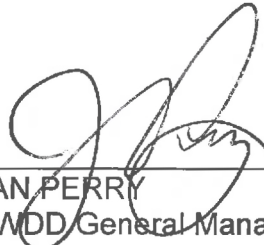


## Section 26. Branding

The Contractor shall acknowledge the City on its website and make clear that the Contractor is not a City department nor the permit authority. The CCA's contact information, any appropriate City department's (as determined by the City) website address, and any City-sponsored survey instruments related to filming, including complaints, shall be included on the Contractor's website.

**IN WITNESS WHEREOF**, the parties have caused this Contract to be executed by their duly authorized representatives.


THE CITY OF LOS ANGELES

By:   
JAN PERRY  
EWDD General Manager

Date: 6/13/2016

APPROVED AS TO FORM:

MICHAEL N. FEUER, City Attorney

By:   
KIMBERLY MIERA  
Deputy City Attorney

Date: 6-14-16

FILML.A., INC.

By:   
PAUL AUDLEY  
President

Date: June 9, 2016

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By:   
Deputy City Clerk

Date: 6-15-16  
C-127625

City Business License Number:

243982-89

Internal Revenue Service ID Number:

95-4531774



## EXHIBIT A

### SCOPE OF WORK

The Contractor shall provide services to the City as described below:

#### **1. Film Permit Coordination Services**

The Contractor will assist Customers with timely and efficient film permitting within the City of Los Angeles. The Contractor will operate with the following purposes:

- Coordinate the film permit process in a centralized manner within the parameters established by the City; and/or Permit Authority consistent with the existing Memorandum of Agreement (MOA) between Contractor and Permit Authority.
- Coordinate the film permit process in order to assure that filming will be conducted in compliance with all City ordinances at such times and in such a manner as to cause a minimum of interference with neighborhood and merchant districts;
- In coordination with the City, develop and implement community outreach programs for residential and commercial/industrial districts on a proactive basis;
- In coordination with the City, improve conditions relating to "Commercial Filming" and photography activities for the Los Angeles City area, which includes all film, television, still and commercial filming and other related activities, no matter the method of distribution for commercial purposes;
- If requested by the City, attend meetings with stakeholders to mediate disputes, determine impacts of filming and other permit related activities on specific neighborhoods, participate in neighborhood council and other group meetings, answer questions of stakeholders, or discuss the economic impact of filming.

The Contractor shall perform the following tasks:

- Coordinate processing of film permit applications from Customers;
- Interface with City departments with respect to permit applications to obtain input in developing permit terms and conditions (including any general terms, conditions and restrictions applicable to all permits), coordinate logistics relating to filming activities and perform other functions needed to assist in permit evaluation and processing. Contractor shall inform the CCA of any

issues raised or process changes implemented as a result of this activity.

- Ensure that the description of activity as provided by the Customer on permits provided to the City is accurate and detailed, especially high impact activity that is likely to generate public concern, as determined by the Permit Authority, including but not limited to simulated crimes in progress, screams for help, screeching tires, excessive lighting, noise, and restrictions on parking exceeding one week;
- Provide guidance and advice on the permit process to Customers;
- Coordinate with the City on the dissemination of filming related information on the internet;
- Make recommendations that reflect the needs of the community, the City and the production company to City departments with respect to the handling and processing of individual permit applications and the development of permit terms and conditions;
- Provide pre-production walk-throughs to assess and mitigate impacts of proposed film activities when requested by the Industry, the City or when the Contractor's experience and judgment dictate. Ensure the Permit Authority and the CCA are notified of walk-throughs or pre-planning meetings if the walk-throughs are proposed for City properties/facilities that are not currently in use or otherwise open to the public;
- Upon Contractor's receipt of approval by the Permit Authority , Contractor will release film permits issued by the Permit Authority to Customers;
- The Contractor will coordinate and release permit revisions and/or extensions subsequent to the release of an original permit. However, concurrence must be obtained from the Uniformed Fire Safety Officer, active LAPD officer and/or designated City personnel and in a manner that is consistent with the direction of the Permit Authority;
- Respond to complaints (**See Section 3**);
- Collect funds (including estimated City fees), process refunds (if warranted), and make monthly remittances of amounts due to the City;
- Provide filming data, records, reports and background information (**See Exhibit B**);
- If requested, provide advice to the City regarding filming policy and the permit process; and

- If requested by Customers, the Permit Authority or by requirement of Special Filming conditions, provide monitor services at specified locations permitted for filming. Approval of the Permit Authority shall be obtained prior to implementation of any policies or procedures which identify a protocol of when, where, at what time and under what circumstances and conditions Contractor monitors will be required for permitted activity.

Targeted service levels are as follows:

- A mutual goal of the City and Contractor is to achieve a satisfaction rating of 90% when citizen complaints are compared with total number of permitted production days for the tasks listed above. The CCA is provided the authority to make reasonable adjustments to this statistic based upon the pattern of actual complaints. Should the satisfaction rating fall below 90 percent, the Contractor shall investigate the causes and provide a report to the CCA and the Permit Authority that provides recommendations on how to improve the satisfaction rating. The Contractor shall cooperate with the City in efforts to achieve a minimum satisfaction rating of 90 percent.
- Permits shall be coordinated in a time frame which allows proper review and approval by City personnel, including but not limited to: the posting of lane, street and road closure requests, and assignment of required City personnel. All permit requests made to the Contractor and transmitted to City Departments for review must be made in advance of the requested activity and in accordance with the existing City departmental policy. The City will seek to minimize required turnaround times to the extent possible.
- All requests provided to the Permit Authority for review and approval must contain all reviews and recommendations already obtained from other City departments. The comments and recommendations from various departments may be sought simultaneously. However, when department reviews are sought from departments other than the Permit Authority, the Contractor shall include the reviews and recommendations already obtained. If any City department modifies a permit application after release, a special notification shall be made to the Permit Authority. A verbal agreement will fulfill all necessary approvals. Contractor shall provide the Permit Authority and approving department contacts with full Online Permit System (OPS) access to view verification from all involved City departments, and their status on approval.
- The release of approved permits to Customers shall be accomplished in a manner that allows the Customer to understand the limitations placed upon the requested activity and allows for sufficient community notification.
- In all instances where neighborhood filming guidelines or other City policies exist that require a community survey, the community survey must be conducted in advance of the beginning of the permitted activity, unless stated



otherwise in a separate guideline or policy adopted by the City Council. The community survey may be conducted by the production company, the Contractor or a Sub-Contractor.

- Maintain standard office hours a minimum of 8 a.m. to 6 p.m., Monday through Friday, with the exception of major holidays.
- Collect estimated City fees from Entertainment Industry Customers in advance of releasing a film permit and pay the City within 30 calendar days of receiving an invoice for City Fees.
- Process request for refunds from Entertainment Industry Customers pursuant to Section 24 of the Contract.
- For specified locations, including, but not limited to, all locations which require a Contractor monitor as well as any location in which Contractor staff reasonably expects to be on location at the completion of permitted activity, monitors or other designated Contractor staff will collect and account for all signs DOT reports as being posted immediately following the conclusion of permitted activity. All signs collected will be returned to DOT following the conclusion of the permitted activity.

## **2. Notification Services**

The Contractor will provide notification services. The Contractor will operate with the following purpose:

- Provide services to notify all affected persons and organizations within the City, including nearby residents and businesses and City entities, of upcoming filming. Permit Authority has the right to waive notification requests as necessary. Contractor shall document accordingly.

The Contractor shall perform the following tasks:

- Provide notification services, including the creation and posting of notices (giving special attention to the language needs of the community);
- Ensure that the description of activity on notifications is accurate and detailed, in particular, activity that is likely to generate public concern such as simulated crimes in progress, loud explosions, screams for help, screeching tires, etc.;
- Maintain detailed, accurate records related to all services provided under this contract and made available for review by the City, including, but not limited to: sample notice, a map of area where the notice was distributed, and any issues encountered in conducting the notice and the resolution of those issues;

- Provide notification data, records and background information;
- Provide advice to City officials and departments regarding the notification process;
- Respond to inquiries regarding the notification process from City officials; and
- If requested by the City, attend meetings with stakeholders regarding the notification process to discuss the impacts of filming and other permit-related activities on specific neighborhoods, participate in neighborhood council and other group meetings, or answer questions of stakeholders.

Targeted service levels are as follows:

- A mutual goal of the City and Contractor is to achieve excellent performance of the above tasks:
  - A 100% success rate in regards to the timeliness of notifications, completeness and accuracy of the activities described on the notification, and courteousness of employees.
  - A 95% success rate for posting of notices for the geographical area designated to be notified.
  - Provisions of notification services at least 24-hours in advance of the beginning low impact activity as defined by the Permit Authority.
  - Provisions of notification services not less than 48 hours in advance of the beginning high impact activity as defined by the Permit Authority.
  - When provision of notification services is not feasible under the time restrictions enumerated above, the Contractor shall request approval from the Permit Authority for variation from the minimum notice periods. Notification must be completed in sufficient time to allow for the release of Film Permits in advance of the beginning of the permitted activity. Proof that notifications were performed is to be provided to Entertainment Industry Customers and the City.
- In the report provided by the Contractor under **Exhibit B**, Item 14, the Contractor shall report on the success of achieving each of these goals and shall provide a report to the City Contract Administrator and the Permit Authority that provides recommendations on how to improve performance. The Contractor shall cooperate in efforts to achieve the expected success rate.

### **3. Complaint Referral Services**

The Contractor will provide complaint referral services to assist with the timely resolution of community and Entertainment Industry complaints.

The Contractor shall perform the following tasks:

- Receive complaints on a 24-hour/7day a week basis and address them in a timely manner, including the appropriate referral of complaints to appropriate City personnel and Contractors;
- Keep accurate records on complaints and provide complaint data, records and background information on a monthly basis to the City Contract Administrator;
- Provide advice to City officials and departments regarding filming policy and complaints received;
- Receive and respond to complaints regarding filming from City officials and departments, including the appropriate referral of complaints to appropriate City personnel and Contractors;
- Coordinate with the City Council, field offices, and the community in advance of, during, and after exceptional filming activities in any district (i.e. simulated crimes in progress, screams for help, screeching tires, excessive lighting, noise, and restrictions on parking (exceeding one week), etc.); and,
- Review written stakeholder comments and complaints and, in consultation with the City, prepare written responses to the comments or complaints.

Targeted service levels are as follow:

- Provide clear and complete complaint data, records and background information. All reports will be in a format approved by the City Contract Administrator. With advance notice, the City may alter the frequency, format or nature of reports.
- Refer complaints to appropriate City personnel and Contractors within 15 minutes if the activity is currently in progress. If there is no after-hours contact provided by the City departments then the call shall be referred to the Permit Authority.
- If a complaint is received and the activity is no longer in progress, respond to the complaint on an initial basis within one (1) calendar day and finalize/complete any responses including written, if necessary, within seven (7) calendar days.

- Provide response services to complaints on 365 days-a-year, 24 hours-a-day, 7 days-a-week basis.

#### **4. Maintenance of Records**

The Contractor is expected to maintain up-to-date and accurate records as required by **Exhibit B** to this Contract. Record keeping details should also separately account for the different types of permitted activities (exclusive of financial report which is required by other sections within the Contract) provided under this Contract, including those services specific to the City of Los Angeles and excluding other Contractor clients.

#### **5. City Fees**

The Contractor shall remit all City Fees monthly.

- The Contractor shall not deduct from any remittance to the City any transaction fees or other costs incurred as a result of accepting payment from its Entertainment Industry Customers in the form of credit card, debit, wire transfer, check, or other forms of payment.
- The Contractor shall remit City Fees to the City with U.S. currency and may not reduce payment to the City by costs associated with the conversion of foreign currency to U.S. currency.
- For film permits coordinated through Contractor, Contractor not the Entertainment Industry Customers, is obligated to pay to the City all City Fees other than those customarily collected by the City directly from the Entertainment Industry Customers. If the Contractor desires to adopt a regular business practice allowing Entertainment Industry Customers to obtain permits on credit, it may do so. However, the Contractor would still be required to remit all City Fees within 30 calendar days of receiving an invoice for City fees regardless of their ability to collect from individual Entertainment Industry Customers.
- The Contractor may collect deposits from its Entertainment Industry Customers so if violations occur deposits can be used to pay for fees/fines/financial penalties.
- The Contractor shall, after receiving from the City a final invoice for City Fees, pay to the City, in United States currency, all City Fees invoiced with the next monthly scheduled payment.
- The Contractor shall act in good faith in disputing any City Fees billed (either timely or late) by the City, and Contractor and the City will act in good faith to resolve any such dispute within a reasonable time. Once the dispute



as to any City Fees is finally resolved, either by agreement between Contractor and the City or by legal action or some other agreed-upon dispute resolution method, Contractor will pay such City Fees at the same time as the next normal payment is due to the City. However, payment of disputed fees shall be separated out from the normal payment.

- If Contractor fails to pay all or any portion of City Fees within the time payment of such fees is due as set forth in this section, the payment of the unpaid portion will be considered late.

- If a payment remains unpaid for more than 30 calendar days after it is considered late, such unpaid amount of City Fees will be considered delinquent and subject to a penalty of 1% of the delinquent amount.

- If a payment is delinquent for more than 30 calendar days, delinquent amounts (including the 1% penalty) will also be subject to interest charges. Interest on such delinquent amounts will be calculated at a rate equal to the prime rate at the time such unpaid City Fees become delinquent plus five percent, and interest will accrue at that rate from the date the unpaid City Fees became late until payment is issued made by Contractor.

## **6. Emergency Response and Coordination**

The Contractor shall assist the City in responding to unusual occurrences and large scale emergencies when a State of Emergency is declared by the City, including canceling, revoking or not processing permit requests and communicating with the Entertainment Industry Customers.

The Contractor shall direct its staff to cooperate fully with the City and follow the direction of the Contract Administrator, the Mayor, the Emergency Operations Board and the Emergency Operations Organization for the duration of the local emergency.

The Contractor shall, as requested, cooperate with the City efforts to recover costs associated with the emergency from the federal and state governments.

The Contractor shall, as requested, coordinate the dissemination of emergency related information to the Entertainment Industry and assist the City in canceling, delaying, rescheduling and relocating filming and managing the related public relations.

## **7. Management of City Facilities for Filming**



The Contractor may manage vacant City facilities in order to maximize the potential availability of those facilities for the Entertainment Industry. The Contractor must have a management agreement in place with the City department/agency with oversight responsibility for the facility and must be in full compliance with all insurance requirements, indemnifications and liability agreements required by the City Risk Manager and the City Attorney. The term of facility management agreements must not exceed the term of this Contract.

## **8. Marketing Program**

The City of Los Angeles desires the assistance of Contractor in promoting the City as a location for Commercial Production and still photography. Therefore, subject to available funding, the Contractor shall:

- Assist the City in developing a strategic approach to marketing, in consultation with the CCA, the Chief Legislative Analyst, and the City Council Committee of appropriate jurisdiction, and the Office of the Mayor, as available. The program goals will include, but are not limited to:
  - Raising civic pride in the history and legacy of filmmaking in Los Angeles;
  - Educating residents, businesses and governmental organizations about the economic and employment benefits of the film industry;
  - Educating film companies on how to be better stewards of the neighborhoods and addressing community relation issues;
  - Working with the appropriate City Departments to establish protocols encouraging student films, small budget films, and commercial productions;
  - Advertising and marketing Los Angeles to the Entertainment Industry and its clients;
  - Trade show representation;
  - Technology improvements and web-brand information services.
- Work with the City to develop a sustainable source of funding, other than the City General Fund, to support the marketing program;
- Implement a marketing campaign;
- Maintain a web site providing information about City facilities available for filming. Such site shall include photographs along with contact information for the City department that schedules filming activity at the facility. If for any reason Contractor is unable to continue providing a location library web site, it

shall make available to the City of Los Angeles, free of charge, any photographs, documents, or systems owned by Contractor, which comprised the location library; and

- If requested by the City, cooperate with City efforts to enhance and retain jobs (within the City) in all segments of the Entertainment Industry including multimedia and other new emerging technologies.

The parties agree that the Contractor shall not be required to “brand” or identify any marketing materials created under this provision with FilmL.A.’s logo. Contractor shall not be required to provide favorable treatment in comparison to the Contractor’s other contractual clients as to the display or distribution of any such material in Contractor’s place of business or on its proprietary website. The City’s promotional material shall be treated at least equally in comparison to the material of other contractual clients of the Contractor. The City understands this may result in more than one jurisdiction being promoted as the best, most convenient, etc., location to film. Contractor is required to provide an active link(s) from its website to a City site where marketing materials are available to the public.

Nothing in this section (**8. Marketing Program**) shall require Contractor to expend its own financial resources to accomplish such marketing efforts. Implementation shall be limited based upon available funding.

#### **9. Training**

Within the first year after execution of the contract, FilmL.A. shall provide two training sessions for Entertainment Industry professionals concerning FilmL.A.’s billing and fiscal policies, including refund policies and procedures. After the first year of this Contract, FilmL.A. shall provide similar training sessions annually, or on an as needed basis.

#### **10. Automation and Linking to City Departments**

Contractor shall use best efforts, subject to available funding, to upgrade their on-line permitting system to interface with City film related information systems, such as the Recreation and Parks reservation system, the Fire Department and LADOT Traffic Event Assets Management System (TEAMS). The CCA and affected City departments and Contractor shall prepare an annual plan to prioritize projects. Contractor shall provide the CCA with an annual report of all progress made toward using technology to interface with City departments.

## **EXHIBIT B**

### **REPORTING AND PERFORMANCE REQUIREMENTS**

#### **General Reporting Requirements**

1. The Contractor shall prepare and submit regular reports on permits, system management including integration of automated systems, complaints, and client feedback on a quarterly basis to the City. All reports will be in a format approved by the CCA. Upon notice, the City may alter the frequency, format or nature of reports. The City may also direct Contractor to provide the City with ad hoc reports on issues of interest to the City relating to the Contract, provided that the cost of the request is not prohibitive.
2. The Contractor shall ensure that all financial data, including record keeping of assets and liabilities and accounting for services provided by contract to the City, be maintained by the Contractor separately from all other corporate activities and separate from all other clients. Record keeping details must also separately account for the different types of services provided under this Contract. A review of this data and accounting will be conducted by the CCA on a quarterly basis. Upon notice, the City may direct the Contractor to make changes to the maintenance of this data to more clearly separate it from other corporate activities provided that the cost of the request is not prohibitive and the request does not violate Generally Accepted Accounting Principles (GAAP).
3. The Contractor shall submit to the CCA each year a draft of its Annual Operating Budget addressing revenues and expenditures for service provided to the City, as well as refunds issued, unclaimed refund accumulation, and expenditures hereto for related, at least 60 calendar days in advance of the beginning of the Contractor's fiscal year and the final budget within five (5) business days of adoption by the Board of Directors.
4. The Contractor shall submit a certified annual audited financial statement to the CCA, within 180 calendar days following the end of each fiscal year. Should an exception to this timeframe be required, the Contractor must notify the CCA within 150 calendar days following the end of each fiscal year. The CCA will have the authority to approve an extension in writing.
5. The Contractor shall submit to the CCA, within 30 calendar days after the end of each quarter, a quarterly profit-and-loss statement.
6. The Contractor shall submit to the CCA any changes to its decision-making body or written rules, such as, but not limited to, its bylaws or composition of its Board of Directors within 15 calendar days of the change.

7. The Contractor shall pay the City \$100 each working day any report is late. The City may choose to waive this fine if it is in the best interest of the City, if the City is the cause, or if the City believes there is a reasonable basis for doing so.

8. The Contractor will annually report to the City regarding the use of technology in administrating the City permit process.

#### **Permit Coordination – Reporting Requirements**

9. The Contractor shall submit to the CCA, within 30 calendar days after the end of each quarter, quarterly summaries of permit volume, amounts collected from Customers and amounts paid to the City in City Fees. These reports should indicate any significant changes when comparing the current quarter with previous quarters, or when appropriate, the same quarter from previous years. Reports shall include accounting of refund claims paid and retained uncollected amounts for approved Budget expenditures.

10. The Contractor shall submit to the CCA, on a monthly basis, in a format approved by the CCA, a list of all of its Customers, including: the Production Company's name; any known contact personnel as applicable; address; telephone number; contact person; type of production; production title; requested filming location(s) and date(s).

11. The Contractor shall submit to the CCA an annual report addressing the impact of City policies, rules and regulations on filming in the City and recommendations to improve the environment for on-location filming in the City.

12. The Contractor shall submit to the CCA a written copy of all non-proprietary policies and procedures for all aspects of the process of obtaining a film permit (financial, procedural and otherwise) and submit subsequent changes to those policies and procedures within 15 calendar days of the change. Proprietary policies and procedures shall be provided for inspection but will not be provided in a manner that creates a public record absent a court order.

13. The Contractor shall submit a reconciliation statement and aging report with each payment of City fees. The reconciliation report shall detail the fees being submitted and related permit information. The aging report shall show the amount of City fees for which FilmL.A. has not received a final invoice after completion of the filming activity. Should the aging report show that a city department has not submitted final invoices for at least 60 calendar days after completion of the filming activity, the CCA will notify the City department and request submission of final invoices to FilmL.A. within 30 calendar days. Should the aging report show that a City department has not submitted final invoices for at least 60 calendar days after completion of the filming activity, the CCA will forward the Aging report, along with details provided by FilmL.A., to the Mayor and City Council.

#### **Notification Services – Reporting Requirements**

14. The Contractor shall submit to the CCA, within 30 calendar days after the end of each quarter, quarterly summaries of notification volume and amounts collected from Entertainment Industry Customers specific to the City of Los Angeles and excluding other Contractor clients.

#### **Complaint Referral – Reporting Requirements**

15. The Contractor shall maintain a record of all complaints lodged by the City, on behalf of the City or a City resident or business concerning on-location filming events in the City. A report on complaints will be provided on a monthly basis as determined by the CCA and the Permit Authority as well as a compilation of data provided annually. Complaint data, records and background information provided must be clear and complete.

#### **City– Reporting Requirements**

16. The Contractor shall provide a report on an annual basis to the CCA with data on the amount of fees waived by City departments, what type of film productions are associated with fee waivers, and fees separated out by property and address.

#### **Filming Surveys – Reporting Requirements**

17. The Contractor shall notify all City customers of a link to the City Filming Survey on the FilmL.A website; and add a link and language describing the City Filming Survey to all new film permits issued. The Contractor shall provide semi-annual summary reports from any surveys that may be conducted by the Contractor with its Customers.



